

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BELLSOUTH TELECOMMUNICATIONS, INC.'S	)	
REQUEST FOR CONFIDENTIAL TREATMENT	)	CASE NO.97-195
OF INFORMATION FILED IN SUPPORT OF ITS	)	
CONTRACT FOR DELTA AIR LINES, INC.	)	

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed April 11, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost and contribution data developed in connection with the Volume and Term Agreement between Delta Air Lines, Inc. ("Delta") on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth has entered into a Volume and Term Agreement with Delta which will provide a discount to Delta commensurate with the overall level of billing from BellSouth over the nine state BellSouth region. In support of the contract, BellSouth has filed cost information which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those employees who have a legitimate need to know and to act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of appropriate security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

The Volume and Term Agreement with Delta is for the provision of several services. These include Basic Business Services (including Business local exchange service, Area Plus® Service, inside wire, and various vertical services), PBX Trunks and Direct Inward Dialing, and Hunting. These are primary local exchange services for which BellSouth must compete with competitors entering the local exchange market. Such competitors include alternate access providers, resellers, and interexchange carriers. Disclosure of the information would enable these competitors to determine BellSouth's cost and contribution from the services which they can use in marketing their competing services to the detriment of BellSouth. Therefore, disclosure of the information is likely to cause BellSouth competitive injury, and the information should be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost and contribution information filed in support of the Volume and Term Agreement with Delta, which BellSouth has petitioned to be withheld

from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 20th day of May, 1997.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt  
Chairman

Ed J. Hols  
Vice Chairman

B. J. Helton  
Commissioner

ATTEST:

Don Mills  
Executive Director